## Local Government Cooperation A Township Government Perspective

#### Presented by:

The Michigan Townships Association
Larry Merrill, Executive Director

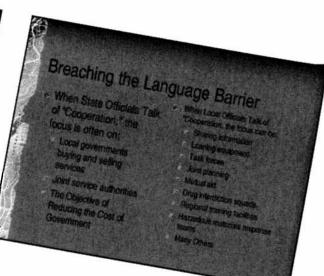


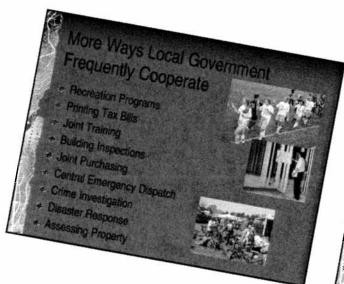
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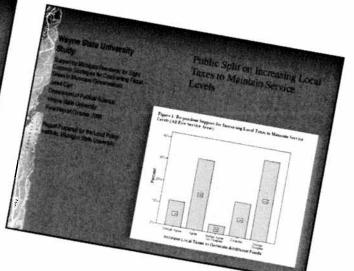
The Michigan House Committee on Intergovernmental and Regional Affairs

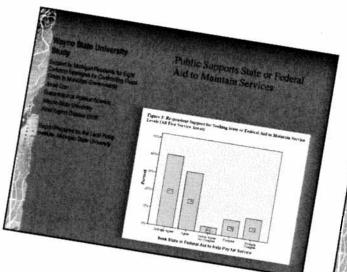
MTA Legislative Liaisons: David Bertram Bill Anderson Tom Frazier

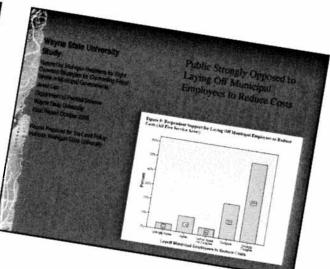


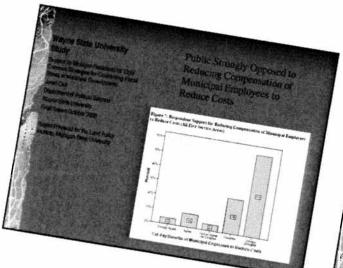


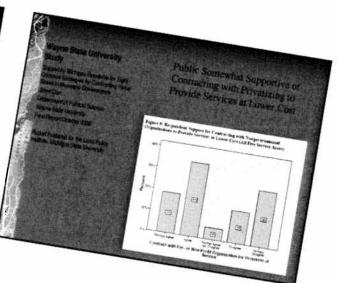


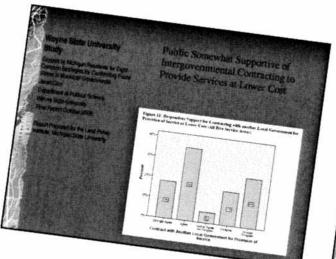


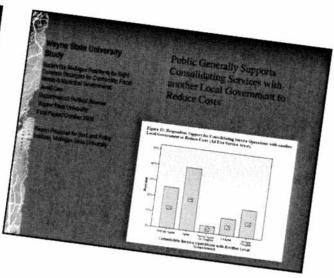


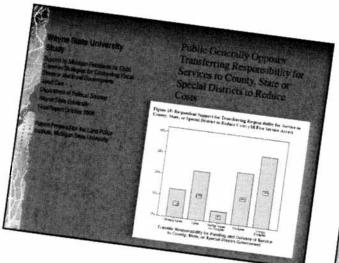


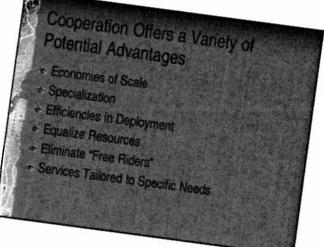




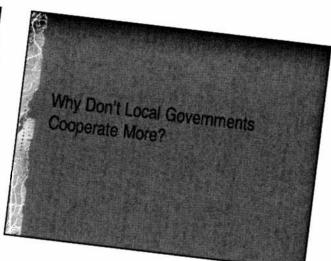










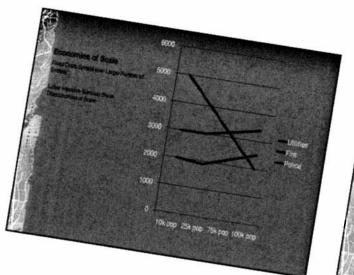


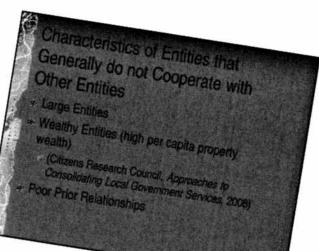
### Some Common Perceptions

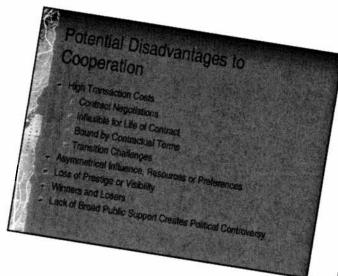
- \* "Turf Protection"
- \* "Lack Imagination"
- \* "Special Interests"
- \* Old Feuds
- Personality Conflicts

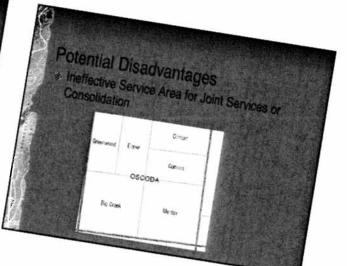
#### Economic Benefits Apply to Only Some Services

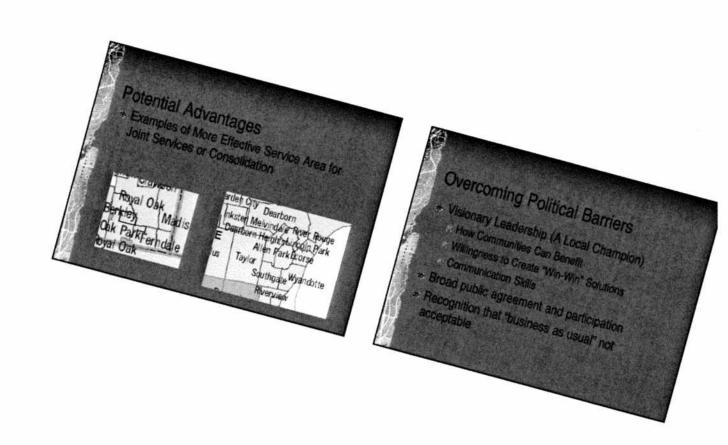
- > Capital Intensive Services (i.e. utilities) exhibit
- \* Labor Intensive Services costs proportional to population served; costs increase in larger
- Higher cost of administration and oversight
- + Consolidation results in highest labor costs
- \* Diminished transparency, oversight of authorities



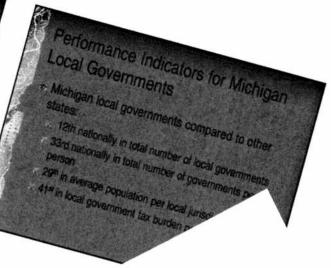


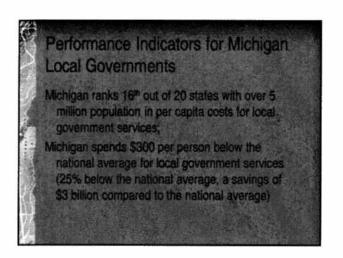


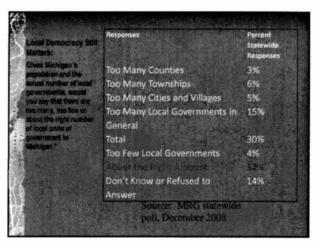


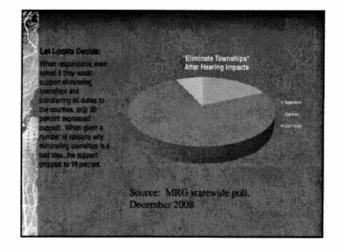


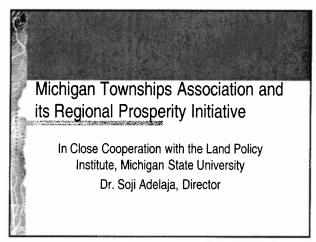


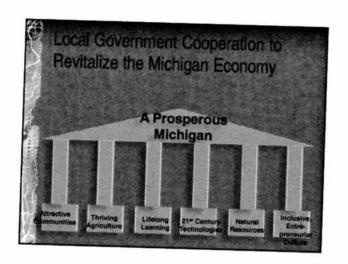


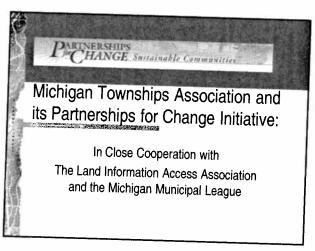


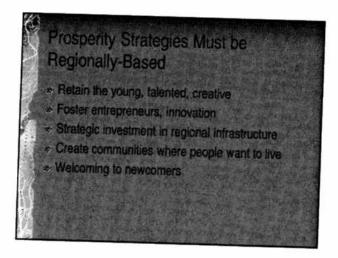


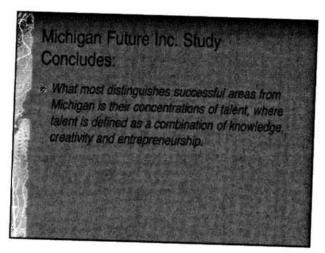


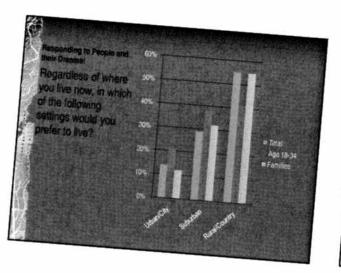


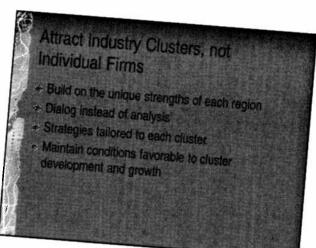






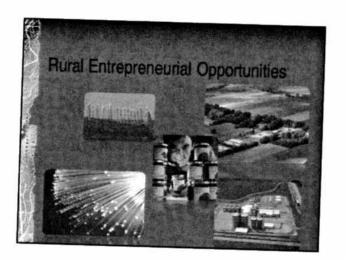


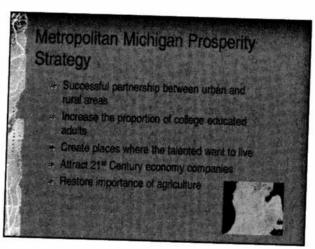


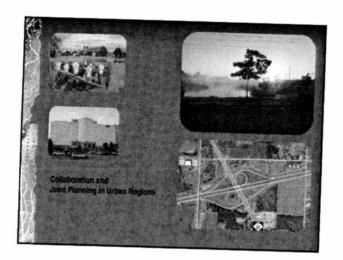


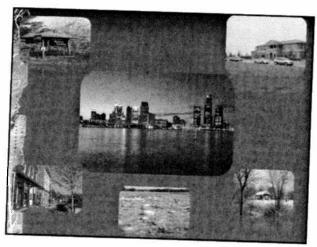














## Local View



MTA Executive Director

#### Crystal Ball Shows Townships Lead Michigan's Return to Prosperity

Michigan township officials recently decided whether to seek re-election for a new four-year term in November. It is a testimony to their "can-do" spirit that so many MTA members are lenges they have confronted during the past four years. In many township boards to reduce staff, cut back and eliminate services, or postpone infrastructure and equipment investments. be very challenging.

What can those who successfully run again for township leadership expect to encounter in their next four years? Allow me to beyond:

- Due to easier access to information via the Internet, townships and other local entities will have more data available on which to make their decisions. Consequently, deliberations on local government issues will be based more on knowledge, rather than driven by opinion.
- Slow recovery of the housing market will vary depending on the area of the state. The longest recovery will occur in southeast Michigan, where the dip has been the steepest and the inventory of unsold homes is highest. Continued high gasoline prices will stunt new housing developments
- High agricultural land prices will continue as long as state
  and federal public policy continue to encourage ethanol
  production, and the expansion of foreign economies continues to drive up commodity prices. Mining activity may also
  industry.
- Job creation will drive public policy. Michigan's desperation for new jobs will spur public officials to continue moving "heaven and earth" for any jobs, anywhere. As tax abatements given to manufacturers expire, so too will the jobs they temporarily created. Traditional manufacturers will continue the state exodus. Slowly, many of the lost manufacturing jobs will be replaced by new jobs in high-tech companies, which will hire workers retrained at our community colleges. Unemployment levels will remain high, reflecting

those who could either not leave, or who were unwilling or unable to acquire new skills.

 Northern Michigan communities will be discovered as a hot new tourism area. High fuel costs will cause neighboring Midwesterners to discover our lakes, forests, waterfalls, bird sanctuaries, and snowmobiling and skiing opportunities provided that local officials collaborate with tourist attraction owners, devise stronger Internet marketing programs and encourage clustering more amenities to enhance the

# The next term of office will offer exciting opportunities for township officials to use their creativity, leadership and energy to restore prosperity to Michigan.

- The role of townships will expand. In addition to continuing to provide high-quality, low-cost basic services, far more townships than ever before will take on the additional role of facilitating Michigan's transition to a 21st-century economy. Economic development is hardly a new built water and sewer systems, and responded to the transportation requirement of new businesses in the past. But officials will need to be far more strategic in their approach to incompanies to pick a site, township to job creation.
- We will see a new era of collaboration among local governments. The recent drum beat to consolidate services will segue to a far more effective strategy of local leaders meeting regularly with others in their region to develop and market the assets that will make their areas attractive to high-tech businesses, agri-businesses, forestry, mining

The next term will offer exciting opportunities for township officials to use their creativity, leadership and energy to restore prosperity to Michigan. A "flat world," as coined by author Tom Friedman, gives every place the opportunity to prosper. MTA is positioning itself to support you in this vital mission.

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## **Restoring Michigan's Prosperity?**Sounds Like a Job for Township Officials

Larry Merrill | MTA Executive Director

There is a whole load of disturbing data that paints a pretty grim picture of the Michigan economy. According to the think tank Michigan Futures, Inc., in six short years, our state's per capita income has slipped from 16th place to 26th place, compared to other states. Our unemployment rate is the highest of any state in the country. Our state's growth in gross domestic product is also dead last. And with the very real possibility that the United States has already slid into what economists would label a recession (negative growth in gross domestic product), Michigan is vulnerable to additional declines in the demand for the products we export to other states.

What can Michigan do to restore its competitive edge and return to a state leading in prosperity?

According to many experts, and reflecting a consensus of Michigan policymakers and pundits, Michigan's current economic difficulties stem from a global shift of American manufacturing to foreign countries, and widespread adoption of high-tech automation that has made labor obsolete. Low-skilled, well-compensated jobs are not likely to ever return.

To effectively compete in the new economy—and to attract new companies that will provide high-paying jobs and restore Michigan's prosperity—communities will need to offer a different set of assets than was the case in the past. "New economy" industries are knowledge-based rather than labor-based, so a well-educated labor force is, first and foremost, the basic ingredient needed by entrepreneurs. To attract the young "knowledge class," communities must be physically appealing, vibrant and open to diversity. Concurrent with attracting the types of workers that new economy employers seek, communities need to attract the companies to employ these workers.

While there are townships in metropolitan areas that could succeed in being such places, most townships have invested in growth and amenities more appealing to older persons who are establishing families and who are employed in white-collar professions, the service industries or in the downsized manufacturing sector. Other townships, especially in the lower half of the Lower Peninsula, are better positioned to focus on maintaining Michigan's other major sector of agriculture, and townships in the northern Lower Peninsula and Upper Peninsula are endowed with natural resource and tourism assets.

Community amenities, along with a skilled work force, attract companies to locate in a community. What's more, to the



world's employers, regions—rather than individual political entities—are the focus of locating new businesses. While many Michigan cities are trying to reinvent themselves in the "new economy" model, Michigan's township officials also need to play leadership roles in helping their regions develop strong economies. The assets of Michigan's metropolitan regions point to specializing in clustering international growth industries.

Outside of the metropolitan areas, townships need to champion regional strategies that will preserve and strengthen Michigan's resource-based economies, such as the agricultural, tourism, recreation and forestry industries.

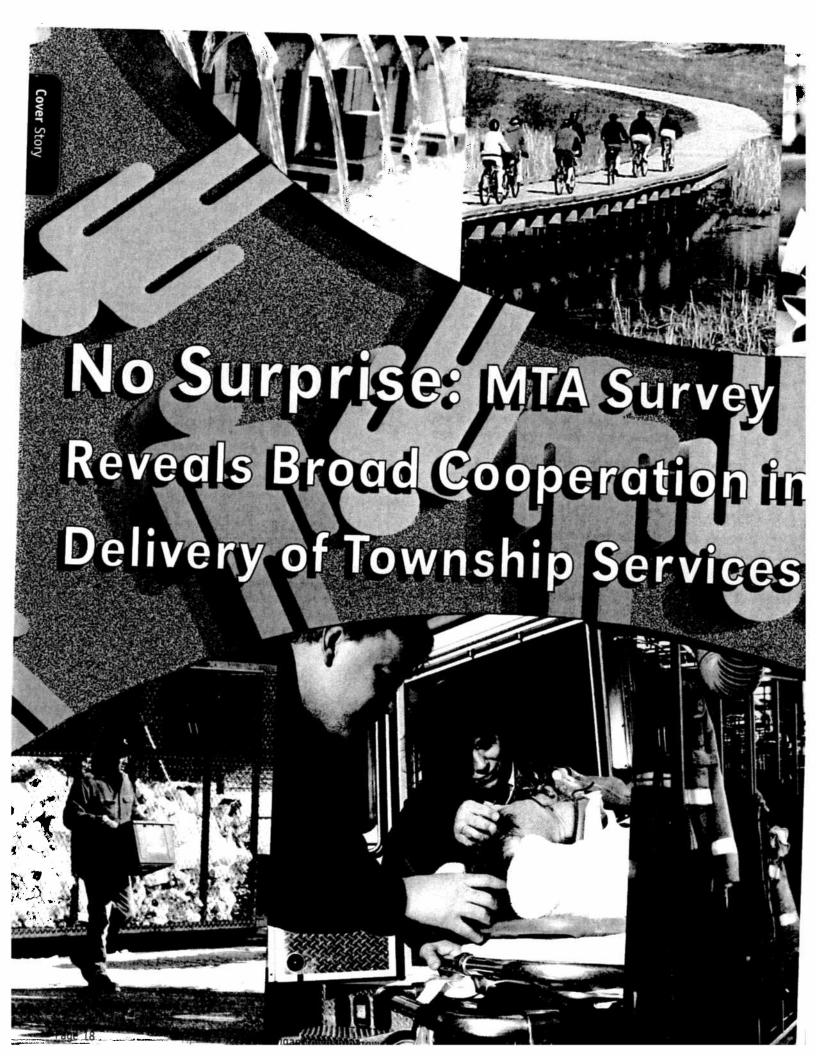
## Michigan's township officials need to play leadership roles in helping their regions develop strong economies.

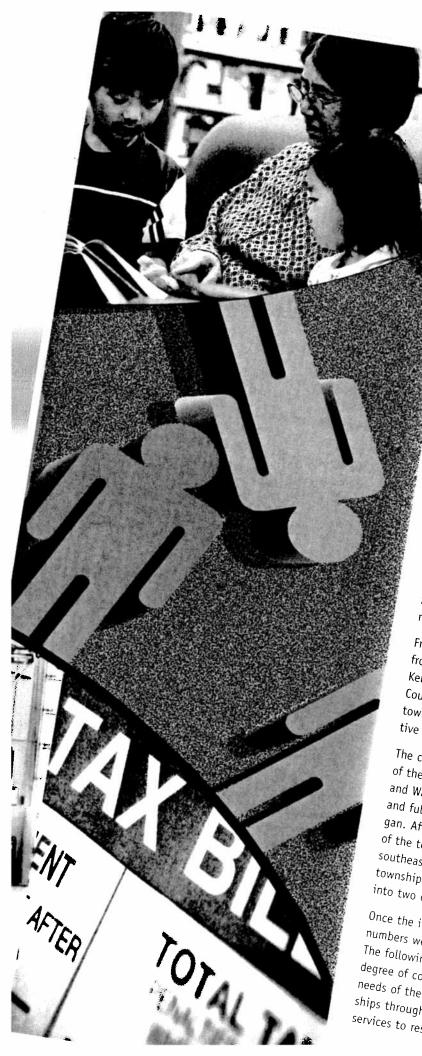
State policymakers have struggled to develop a cohesive strategy to revitalize the Michigan economy. Fortunately, we are beginning to see a growing recognition that abolishing townships is not a useful strategy to fix Michigan's problems. We appreciate Gov. Jennifer Granholm's recent acknowledgement that a strong sense of place is cherished and defended by township residents. Many lawmakers understand the value of townships and recognize the practical impossibility of erasing local governments by state fiat.

When state policymakers allow township officials to redirect their intellect, passion and creativity to solving the problem of Michigan's economy rather than wasting time having to justify the existence of townships, it would be an important start in returning Michigan to the level of prosperity that our residents deserve.

The job of restoring Michigan's prosperity is too important to leave to others. Township officials can play a key role in ensuring that their communities remain prosperous. Be sure to sign up for your district meeting, and learn how. (Turn to page 27 for information on Spring District Meetings.)

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## C¢operate. Consolidate. Collaborate.

Over the past year, local government has been under intense scrutiny, by state lawmakers and the media. Claims have bee made that Michigan's system of local government is ineffective that bigger government is better government.

At our core, MTA and township officials know that the most efficient form of government is township government. We also know that local officials are—and have been—working with neighboring municipalities to offer and enhance services to residents. Cooperation may not always make sense, but when it does, township officials are often willing to step up to the plate and work together to provide the best quality of life possible.

Local government cooperation in Michigan is happening at a high rate, and is delivering everyday services to Michigan residents and businesses.

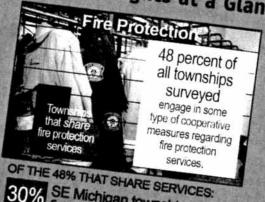
But while township officials already know that they work with their neighbors, MTA felt it was important to collect current data to better demonstrate the assertion that townships do Cooperate. We live in a world where "most" and "sometimes" don't cut it. People want facts—numbers and percentages to back up the assertions that we know to be true: Local government cooperation in Michigan is happening at a high rate, and is delivering everyday services to Michigan residents and busi-

From September through November 2007, MTA collected data from townships in eight select counties—Cass, Cheboygan, Kent, Macomb, Marquette, Midland, Oakland and Washtenaw Counties. Some 122 townships—approximately 10 percent of townships in Michigan—were surveyed on a range of cooperative issues.

The counties were selected to be geographically representative of the state, with a focus also being paid to Macomb, Oakland and Washtenaw Counties because of the unique, more urbanized and full-service nature of townships located in southeast Michigan. After looking at the vast variation in population density of the townships surveyed—an average of 18,086 residents for southeast Michigan townships compared to 3,791 for "outstate" townships—survey numbers have been analyzed and separated into two categories.

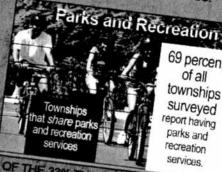
Once the interviews with township officials were concluded, the numbers were compiled and analyzed in many different ways. The following are key highlights from MTA's findings. While the degree of cooperation certainly varies in order to match the needs of the community, the numbers don't lie: Michigan townships throughout the state are actively cooperating to services to residents and businesses.

## Survey Highlights at a Glance



SE Michigan townships share fire protection services.

57% Outstate town services. Outstate townships share



69 percent of all townships surveyed report having parks and recreation

OF THE 33% THAT SHARE SERVICES:

SE Michigan townships share parks and recreation services.

Outstate townships share parks and recreation services

### Providing Assessment Services



Note: 30% of these townships are from Southeast Michigan.

Over 63 percent

of townships

curveyed

report sharing

accessing services

12% of these townships share their assessor with another local unit.

#### OF ALL TOWNSHIPS SURVEYED:

Contract with assessors who also contract with other local units Employ a full-time

Have supervisors who act as assessor Employ a part-time

Contract independently with an assessor

Contract ass services with the county

in some capacity. \*NO southeast Michigan townships have supervisors who act as assessor.



Fire Protection

- Nearly 48 percent of townships engage in some type of cooperative measures regarding fire protection.
- Some 57 percent of outstate townships have cooperative fire
- More than 30 percent of southeast Michigan townships contract with other units or have joint fire departments. Police Protection

- Approximately 31 percent of townships contract from either the county or another local unit for some form of additional police coverage.
- Roughly 10 percent of townships operate some form of their own police department.
- Nearly 55 percent of townships are covered by police protec-
- Nearly 49 percent of southeast Michigan townships contract with the county for additional services. Emergency Medical Services

- More than 42 percent of townships operate some form of
- Some 65 percent of southeast Michigan townships operate their own services, while 29 percent of townships in the other counties operate their own services.
- More than 16 percent provide some form of emergency services jointly—nearly 12 percent of southeast Michigan townships and 24 percent in the other areas of the state.
- Emergency medical services are provided by private compa-

#### WATER AND SEWER SERVICES Water Service

Nearly 53 percent of southeast Michigan townships provide water service to residents, while roughly 36 percent of townships in the other areas of the state provide service.

- Some 62 percent of townships that deliver water service to residents do so cooperatively.
- A full 36 percent provide water with another local unit—42
  percent in southeast Michigan townships and 29 percent in
  other areas.
- Roughly 22 percent are members of a water authority—16
  percent in southeast Michigan townships and 26 percent in
  other areas.
- Approximately 4 percent contract for water service from another local unit or authority.

#### Sewer Service

- Almost 46 percent of townships surveyed provide sewer service to their residents—63 percent of southeast Michigan townships and nearly 35 percent of townships in other areas.
- Nearly 79 percent of southeast Michigan townships provide sewer service cooperatively, versus 57 percent in outstate townships.
- Only 12 percent of townships that provide sewer service do so on their own, without cooperating in some way.



#### RECYCLING

- More than 51 percent of townships offer a formal recycling program.
- Roughly 8 percent of townships offer recycling through a program with the county and almost 14 percent have their own program.
- Amongst southeast Michigan townships, no townships offer a program with the county while more than 25 percent offer their own program. Comparatively, 13 percent of townships in outstate Michigan offer a program with the county, while only 8 percent offer a program on their own.
- More than 10 percent offer recycling programs with other local units or townships—12 percent of southeast Michigan townships and 9 percent of townships in the other areas.

#### State Laws Govern Cooperation

At least 11 state laws grant general authority to local governments to enter into contracts and agreements for joint services, to purchase and sell services, or cooperate in other ways. Many statutes address specific authority to enter into interlocal agreements related to public works, transportation, libraries, mental health, public health, substance abuse programs, fire protection, police protection, youth centers, assessing, senior services and construction code enforcement.

The following are four enabling statutes that are most commonly used for intergovernmental agreements:

- Urban Cooperation Act (Public Act 7 of 1967, MCL 124.501, et seq.)
- Intergovernmental Transfers of Functions and Responsibilities (PA 8 of 1967, MCL 124.531, et seq.)
- Intergovernmental Contracts Between Municipal Corporations (PA 35 of 1951, MCL 124.1, et seq.)
- Intermunicipality Committees (PA 200 of 1957, MCL 123.631, et seq.)

Other statutes authorize municipal districts, metropolitan councils, regional planning and intercounty committees. The Charter Township Act also contains provisions for intergovernmental cooperation.



#### 'A Great Success'

For officials in **Beaugrand Township** (Cheboygan Co.), intergovernmental cooperation is just a way of life. And they are always looking for more ways to cooperate and expand services to their 1,200 township residents.

According to Supervisor Marcia Rocheleau, one of the township's cooperative agreements dates back more than three decades. Four townships—Beaugrand, Munro, Inverness and Hebron Townships—receive fire service through a cooperative department. Governed by a joint administrative fire board, the department operates out of two fire halls. Currently, two of the townships have entered into a cooperative agreement to construct a new fire hall to replace the older one used by the department.

"The fire agreement has been a great success," Rocheleau stated. "I really can't say enough about the fire department and how proud we are of it."

The township's intergovernmental cooperation isn't just limited to fire services. Three years ago, the city of Cheboygan approached the township, along with Inverness and Benton Townships, to "sit down and discuss common problems and situations, and to keep each other informed of what is going on in our own area," Rocheleau said. A group of officials from the four communities continues to meet quarterly, and those meetings have proven quite informative.

"The city sees what the townships are dealing with, and we see what issues they are handling," said Rocheleau. "Everybody has their own ideas and perspectives. In fact, the ideas that have come out of those meetings have proven to be very beneficial."

Among the new concepts that emerged from the quarterly meetings was a desire to look at the area's land use and zoning. "We thought that if we sat down at the same table, we could discuss things and avoid any future conflicts at the borders of each community," Rocheleau said.

The group developed a future land use map and will be turning the map over to the county in hopes that it will be integrated into the county's overall land use plan. Rocheleau says the group will continue to meet, to discuss future issues, such as water quality, protecting farmland and natural resources.

Most recently, Beaugrand Township—among others in the area—has joined into an agreement with the county to offer recycling services to residents. The county is even partnering with neighboring Emmet County, by bringing the collected recyclables to the Emmet County's recycling station. The services began in January of this year, and "residents have indicated they are very happy with it," Rocheleau said.

The township is always on the lookout for new cooperative endeavors, Rocheleau continued. "We're a smaller township," she said. "To offer some of these services on our own would be cost-prohibitive. By doing things jointly, we're able to offer residents more than we'd be able to on our own."



#### LAND USE

#### **Building Inspectors**

- More than 76 percent of townships enforce the state construction code, while 21 percent allow the county to do so, and nearly 2.5 percent have a local authority handle code enforcement.
- More than 50 percent of townships surveyed have their own building inspectors, with nearly half of those inspectors contracting with other local units or considering a cooperative service with another local unit.
- More than 12 percent of townships hire inspectors jointly with another local unit, while nearly 33 percent allow the county to handle building code inspections.

#### Zoning

- More than 83 percent of townships perform their own zoning, while roughly 17 percent allow the county to handle this function.
- More than 76 percent of townships—86 percent of southeast Michigan townships and 52 percent in other areas—engage in joint planning efforts.

#### Assessing

- Nearly 43 percent of townships have contracts with assessors who also contract with other local units—30 percent of southeast Michigan townships and 54 percent of townships in the other counties.
- Nearly 5 percent of townships have a contract on their own with assessors, and almost 6 percent of townships have contracts for assessing with the county.
- Almost 12 percent of township supervisors in outstate townships act as assessor, with 60 percent of those being unshared and 40 percent sharing their supervisor as assessor to other communities.
- No southeast Michigan township supervisor serves as assessor.
- Of the approximately 25 percent of townships that employ a full-time assessor, only 12 percent share this employee with another local unit.

 More than 8 percent of townships have a part-time assessor, with nearly 78 percent of those employees being shared with other units.



#### SCHOOL BOARD ELECTIONS

- Nearly 75 percent of townships surveyed conduct school board elections—84 percent of southeast Michigan townships and 70 percent of outstate townships.
- More than 18 percent of townships allow the county to handle school board elections, particularly in the outstate counties—25 percent compared to 11 percent of southeast Michigan townships, while 4 percent allow another township or local unit to conduct their school board elections.
- Almost 58 percent issue joint public election notices.

#### TAX COLLECTIONS

- Some 48 percent of townships print tax bills themselves.
- Almost 44 percent of townships allow the county to print tax bills.
- More than 7 percent of those that print or contract to have their tax bills printed do so jointly with other local units.
- More than 52 percent of townships collect their own delinquent personal property taxes, while almost 47 percent have the county perform this task.
- Roughly 35 percent of southeast Michigan townships, and 63 percent of townships elsewhere in the state, collect delinquent personal property taxes.

#### COOPERATIVE PURCHASING

- A full 40 percent of townships are involved in joint purchasing—58 percent in southeast Michigan and 22 percent in outstate townships.
- Almost 10 percent of townships jointly purchase goods with other townships, including more than 8 percent that jointly purchase for their fire departments.

#### 'We Are Not an Island'

Ask Lima Township (Washtenaw Co.) Supervisor Ken Unterbrink about his township's cooperation with neighboring municipalities and he can rattle off a laundry list of examples.

The township has been involved in "many types of intergovernmental cooperation for many years," Unterbrink said, including:

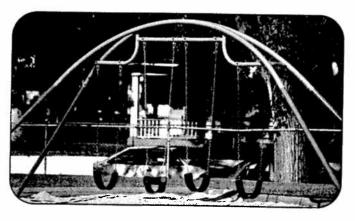
- . Dexter Area Library and Chelsea Area Library
- Chelsea Area Fire Authority and Dexter Area Fire Department
- · Western Washtenaw Recycling Authority
- Western Washtenaw Area Value Express transportation system
- Washtenaw County Consortium for Solid Waste Management
- Chelsea Area Planning Team and Dexter Area Regional Team
- Sylvan Township Water and Sewer Authority
- Chelsea Area Construction Agency

In addition, Unterbrink points out that the township is also part of Washtenaw County's purchase of development rights program, and its elected officials—who work primarily from home offices to serve the township's 3,000-plus residents—sit on numerous countywide committees.

"Our future is attached to our neighbors and their plans," Unterbrink said. "With Lima Township involved in many authorities, boards and committees, we can be a presence in the community and in community government. Other entities do call and ask opinions and perspective. We, as a township, are more aware of the other township activities and concerns, as their concerns are ours also. We are neighbors."

While the cooperation process may sometimes present challenges, "we are not an island," Unterbrink said. "The thoughts and planning of each municipality are not the same, but understanding our neighbors is a necessity. We may not agree, but we should try to understand their position.

"I believe that it is necessary to seek out intergovernmental cooperation opportunities for the benefit of our residents and their quality of life. In order to survive as a home rule government entity, we must seek out our neighbors in intergovernmental cooperation opportunities."



#### ADDITIONAL SERVICES

Parks and Recreation

- Of the 69 percent of townships that have a parks or recreation program, 33 percent run programs or parks jointly with another unit.
- Almost 38 percent of southeast Michigan township parks run jointly, with the rest of the state showing nearly 32 percent with a joint park system.

#### Senior Services

- Of the nearly 45 percent of townships that provide senior services, 25 percent provide programs on their own, while more than 70 percent provide them jointly with another local unit.
- More than 83 percent of outstate townships, and 60 per-

Because we're committed to the people of Michigan. We believe that every man, woman and child has a right to quality health care, security and peace of mind. So we accept everyone, regardless of medical history, and we never drop anyone for health reasons. Because 67 years ago, we made a commitment to the people of Michigan that has never changed and never will. Because we've been a nonprofit since 1939. Blue Cross Blue Shield of Michigan and Blue Care Network are popper Because Michigan is our home.

cent of southeast Michigan townships, jointly provide senior services.

#### COUNTY ROAD COMMISSION FUNDING

- More than 90 percent of townships surveyed contribute annually to the county road commission, including 88 percent of southeast Michigan townships and 91 percent of outstate townships.
- Roughly half of townships contribute more than \$100,000 annually to the county road commission.

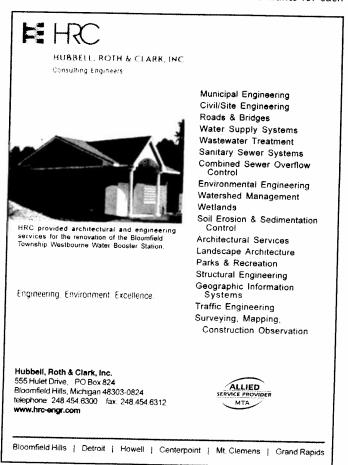
#### OTHER EXAMPLES

 Approximately 53 percent of townships surveyed are involved in additional cooperative efforts, including mutual aid, 425 agreements, clean-up days, election training, youth programs, cemeteries and open space preservation.

#### TRUTH IN NUMBERS

The numbers don't lie—townships *are* acting cooperatively with one another. While the degree of cooperation varies from township to township, county to county, and region to region, there is certainly a trend for townships to cooperatively use and build upon their resources.

The MTA survey data demonstrates that townships know the best way to spend their resources, and provide the services that their residents desire and need. Because of the variety that exists in our state, there are different needs and wants for each



community, and township officials are in touch with identifying and addressing these needs.

Whether through contracting, jointly operating or providing those services themselves, townships are active in finding the most appropriate way to serve their residents. By engaging in cooperative measures, completely of their own volition, townships demonstrate their ability to seek out and adopt plans to use their resources to the best of their ability and to the benefit of their community.

Lauren Michalak, MTA Legislative Intern



About the Author

In July 2007, Michigan State University senior Lauren Michalak approached MTA with an interest in doing an internship revolving around House Bill 4780, legislation that would move tax collection, election administration and assessing duties from townships to counties. As the daughter of **Platte Township** (Benzie Co.) Clerk **Alison Michalak**, Michalak recognized the dangers posed to township government, and wanted her internship to impact the debate on HB 4780. "I knew working with MTA on such an important issue would be a fantastic learning experience," she said. The data that Michalak collected will have a broad impact as the debate over the value of local qovernment continues.

